

State Of New Hampshire

Monthly Revenue Focus

Department of Administrative Services

Linda M. Hodgdon, Commissioner
Edgar R. Carter, Comptroller

September
FY 2012

Monthly Revenue Summary

	(for month)		
	<u>FY 12</u>	<u>Plan</u>	<u>Inc/(Dec)</u>
Gen & Educ	\$ 196.2	\$ 186.2	\$ 10.0
Highway	\$ 22.4	\$ 22.7	\$ (0.3)
Fish & Game	\$ 0.5	\$ 0.5	\$ -

Current Month

General & Education Funds	<u>FY 12</u> <u>Actuals</u>	<u>FY 12</u> <u>Plan</u>	<u>Actual vs.</u> <u>Plan</u>	<u>%</u> <u>Inc/(Dec)</u>
Business Profits Tax	\$ 54.3	\$ 49.8	\$ 4.5	9.0%
Business Enterprise Tax	35.2	30.4	4.8	15.8%
Subtotal Business Taxes	89.5	80.2	9.3	11.6%
Meals & Rentals Tax	26.2	25.8	0.4	1.6%
Tobacco Tax	19.8	19.5	0.3	1.5%
Transfer from Liquor Commission	10.5	10.6	(0.1)	-0.9%
Interest & Dividends Tax	12.5	14.2	(1.7)	-12.0%
Insurance Tax	1.5	1.0	0.5	50.0%
Communications Tax	6.7	6.7	-	0.0%
Real Estate Transfer Tax	7.7	6.8	0.9	13.2%
Court Fines & Fees	1.2	1.2	-	0.0%
Securities Revenue	0.5	0.7	(0.2)	-28.6%
Utility Consumption Tax	0.5	0.5	-	0.0%
Board & Care Revenue	1.7	1.7	-	0.0%
Beer Tax	1.4	1.3	0.1	7.7%
Other	2.7	3.1	(0.4)	-12.9%
Transfer from Lottery Commission	5.3	5.8	(0.5)	-8.6%
Transfer from Racing & Charitable Gaming	0.3	0.3	-	0.0%
Tobacco Settlement	-	-	-	-
Utility Property Tax	7.6	6.5	1.1	16.9%
State Property Tax	-	-	-	-
Subtotal Traditional Taxes & Transfers	195.6	185.9	9.7	5.2%
Net Medicaid Enhancement Revenue	-	-	-	-
Recoveries	0.6	0.3	0.3	100.0%
Total Receipts	\$ 196.2	\$ 186.2	\$ 10.0	5.4%

Analysis

Unrestricted revenue for the General and Education Funds received during September totaled \$196.2 million, which was above the plan by \$10.0 million and above prior year by \$14.3 million. Year to date (YTD) revenue totaled \$391.8 million, which was also above the plan by \$15.1 million and above prior year by \$7.9 million. These favorable results were largely driven by Business Tax performance.

Business Tax collections for September totaled \$89.5 million, which were \$9.3 million above plan and \$11.5 million above prior year. Year to date collections totaled \$117.6 million, \$12.7 million above plan and \$15.1 million above prior year. Per the Department of Revenue Administration (DRA), receipts on estimated payments for the first three months were approximately 17% higher than the prior year. There were also 23% less in refunds paid during the quarter along with 41% less payments on outstanding tax notices for the quarter as compared to prior year.

Revenue from the **Meals and Rentals Tax (M&R)** netted \$26.2 million this month, above plan by \$0.4 million but \$0.1 million below the prior year. Gross revenue receipts exceeded the prior year by \$0.7 million however, this was offset by the Building Aid Debt Service transfer (a reduction to gross revenue) which was \$0.8 million above prior year as budgeted. On a YTD basis gross M&R revenue is tracking \$2.4 million or 3% above prior year.

Tobacco Tax receipts for September came in above plan by \$0.3 million but \$0.5 million below prior year. Year to date collections were \$0.9 million below plan and \$3.4 million below prior year. According to DRA, stamp sales increased 3% in the first quarter of FY12 as compared to the first quarter of FY11, however the month of September was 15% lower than prior year. Because many of the sales are on credit (bonds), the receipts for the credit sales lag approximately one month. Bond repayments accounted for 60% of collections in September.

Interest and Dividends Tax collections for the month were \$1.7 million below plan and slightly below prior year. September is the second highest anticipated revenue month of the year after April. YTD collections are tracking 11% below plan and 4% below prior year.

The **Real Estate Transfer Tax (RETT)** receipts for September were \$0.9 million (13%) above plan and above prior year by \$1.1 million (14%). September collections were 9% higher than the prior year. The number of residential and commercial transactions as reported by the counties were the highest in a single month since June of 2010, when the federal tax credit was in effect. On a year to date basis, RETT collections are above plan by 13% and prior year by 9%. (See RETT table on page 2)

Other revenues for the month and YTD were tracking below prior year due to timing of collections in a variety of smaller revenue sources that make up this category.

All funds reported on a cash basis, dollars in millions.

M&R Analysis

	September			YTD		
	FY 12	FY 11	Diff	FY 12	FY 11	Diff
Gross Collections	27.4	26.7	0.7	77.6	75.2	2.4
Bldg Aid Debt Svc Transfer	(1.2)	(0.4)	(0.8)	(3.6)	(0.8)	(2.8)
Net Revenue	26.2	26.3	(0.1)	74.0	74.4	(0.4)

Business Tax Refund Analysis

	Jul	Aug	Sep
FY12	1.2	1.6	3.2
FY11	3.4	0.9	3.5
FY10	1.6	1.2	2.1
Mo over Mo change	(2.2)	0.7	(0.3)
YTD change	(2.2)	(1.5)	(1.8)

RETT Analysis

(In Millions)

	Jul	Aug	Sep
FY12	7.6	9.8	7.7
FY11	9.6	6.9	6.6
FY10	9.0	8.3	7.6
Mo over Mo	(2.0)	2.9	1.1
% Mo over Mo	-21%	42%	17%
YTD change over Prior Year	(2.0)	0.9	2.0
% YTD change	-21%	5%	9%

General & Education Funds Comparison to FY 11

Monthly

Year-to-Date

General & Education Funds	Monthly			Year-to-Date			% Inc/(Dec)
	FY 12 Actuals	FY 11 Actuals	Inc/(Dec)	FY 12 Actuals	FY 11 Actuals	Inc/(Dec)	
Business Profits Tax	\$ 54.3	\$ 47.8	\$ 6.5	\$ 71.3	\$ 62.7	\$ 8.6	13.7%
Business Enterprise Tax	35.2	30.2	5.0	46.3	39.8	6.5	16.3%
Subtotal Business Taxes	89.5	78.0	11.5	117.6	102.5	15.1	14.7%
Meals & Rentals Tax	26.2	26.3	(0.1)	74.0	74.4	(0.4)	-0.5%
Tobacco Tax	19.8	20.3	(0.5)	61.1	64.5	(3.4)	-5.3%
Transfer from Liquor Commission	10.5	10.1	0.4	34.3	33.9	0.4	1.2%
Interest & Dividends Tax	12.5	12.6	(0.1)	13.6	14.1	(0.5)	-3.5%
Insurance Tax	1.5	1.3	0.2	3.8	3.2	0.6	18.8%
Communications Tax	6.7	6.5	0.2	20.2	21.5	(1.3)	-6.0%
Real Estate Transfer Tax	7.7	6.6	1.1	25.1	23.1	2.0	8.7%
Court Fines & Fees	1.2	1.3	(0.1)	3.5	3.5	-	0.0%
Securities Revenue	0.5	0.6	(0.1)	1.3	1.5	(0.2)	-13.3%
Utility Consumption Tax	0.5	0.6	(0.1)	1.4	1.5	(0.1)	-6.7%
Board & Care Revenue	1.7	1.3	0.4	4.5	4.7	(0.2)	-4.3%
Beer Tax	1.4	1.3	0.1	4.0	4.0	-	0.0%
Racing & Games of Chance	-	0.2	(0.2)	-	0.5	(0.5)	-100.0%
Other	2.7	2.8	(0.1)	8.1	9.7	(1.6)	-16.5%
Gambling Winnings Tax	-	0.9	(0.9)	-	1.1	(1.1)	-100.0%
Transfer from Lottery Commission	5.3	5.0	0.3	10.4	10.5	(0.1)	-1.0%
Transfer from Racing & Charitable Gaming	0.3	0.1	0.2	0.5	0.2	0.3	150.0%
Tobacco Settlement	-	-	-	-	-	-	-
Utility Property Tax	7.6	5.8	1.8	7.5	6.3	1.2	19.0%
State Property Tax	-	-	-	-	-	-	-
Subtotal Traditional Taxes & Transfers	195.6	181.6	14.0	390.9	380.7	10.2	2.7%
Net Medicaid Enhancement Rev	-	-	-	-	0.1	(0.1)	-100.0%
Recoveries	0.6	0.3	0.3	0.9	3.1	(2.2)	-71.0%
Total Receipts	\$ 196.2	\$ 181.9	\$ 14.3	\$ 391.8	\$ 383.9	\$ 7.9	2.1%

All funds reported on a cash basis, dollars in millions.

General and Education Funds

Year-to-Date Comparison to Plan

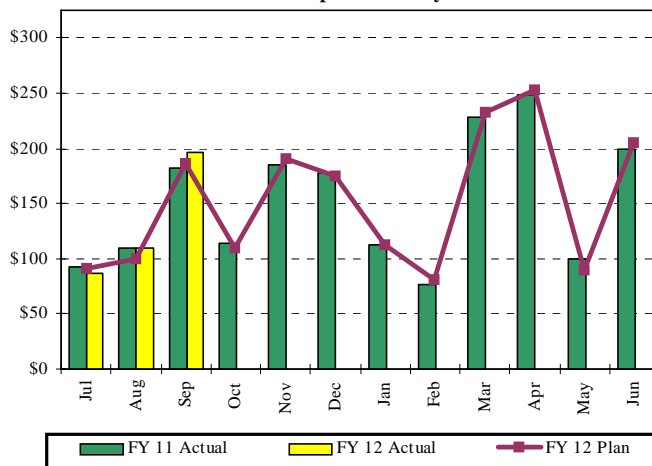
General & Education Funds	General			Education			Total			% Inc/(Dec)
	Actual	Plan	Actual vs. Plan	Actual	Plan	Actual vs. Plan	Actual	Plan	Actual vs. Plan	
Business Profits Tax	\$ 58.8	\$ 53.7	\$ 5.1	\$ 12.5	\$ 11.5	\$ 1.0	\$ 71.3	\$ 65.2	\$ 6.1	9.4%
Business Enterprise Tax	15.6	13.2	2.4	30.7	26.5	4.2	46.3	39.7	6.6	16.6%
Subtotal Business Taxes	74.4	66.9	7.5	43.2	38.0	5.2	117.6	104.9	12.7	12.1%
Meals & Rentals Tax	71.9	70.0	1.9	2.1	2.5	(0.4)	74.0	72.5	1.5	2.1%
Tobacco Tax	39.7	34.8	4.9	21.4	27.2	(5.8)	61.1	62.0	(0.9)	-1.5%
Transfer from Liquor Commission	34.3	34.8	(0.5)	-	-	-	34.3	34.8	(0.5)	-1.4%
Interest & Dividends Tax	13.6	15.3	(1.7)	-	-	-	13.6	15.3	(1.7)	-11.1%
Insurance Tax	3.8	2.8	1.0	-	-	-	3.8	2.8	1.0	35.7%
Communications Tax	20.2	19.7	0.5	-	-	-	20.2	19.7	0.5	2.5%
Real Estate Transfer Tax	17.6	14.8	2.8	7.5	7.4	0.1	25.1	22.2	2.9	13.1%
Court Fines & Fees	3.5	3.5	-	-	-	-	3.5	3.5	-	0.0%
Securities Revenue	1.3	1.6	(0.3)	-	-	-	1.3	1.6	(0.3)	-18.8%
Utility Consumption Tax	1.4	1.5	(0.1)	-	-	-	1.4	1.5	(0.1)	-6.7%
Board & Care Revenue	4.5	4.6	(0.1)	-	-	-	4.5	4.6	(0.1)	-2.2%
Beer Tax	4.0	4.1	(0.1)	-	-	-	4.0	4.1	(0.1)	-2.4%
Other	8.1	8.7	(0.6)	-	-	-	8.1	8.7	(0.6)	-6.9%
Transfer from Lottery Commission	-	-	-	10.4	10.9	(0.5)	10.4	10.9	(0.5)	-4.6%
Transfer from Racing & Charitable Gaming	-	-	-	0.5	0.5	-	0.5	0.5	-	0.0%
Tobacco Settlement	-	-	-	-	-	-	-	-	-	-
Utility Property Tax	-	-	-	7.5	6.5	1.0	7.5	6.5	1.0	15.4%
State Property Tax	-	-	-	-	-	-	-	-	-	-
Subtotal Traditional Taxes & Transfers	298.3	283.1	15.2	92.6	93.0	(0.4)	390.9	376.1	14.8	3.9%
Net Medicaid Enhancement Rev	-	-	-	-	-	-	-	-	-	-
Recoveries	0.9	0.6	0.3	-	-	-	0.9	0.6	0.3	50.0%
Total Receipts	\$ 299.2	\$ 283.7	\$ 15.5	\$ 92.6	\$ 93.0	\$ (0.4)	\$ 391.8	\$ 376.7	\$ 15.1	4.0%

Education Trust Fund Statement of Activity - FY 2012 July 1, 2011 to September 30, 2011

Description	Amount
Beginning Surplus (Deficit)	\$ -
Unrestricted Revenue - See above	92.6
Expenditures	
Education Grants & Adm Costs	(122.2)
Ending Surplus	\$ (29.6)

Fiscal 2012 Adequate Education Grant payments of \$593.0 million are due 20% September 1, 20% November 1, 30% January 1 and 30% April 1. Municipalities receive an additional \$363.0 million of grants through local retention of Statewide Property Tax collections.

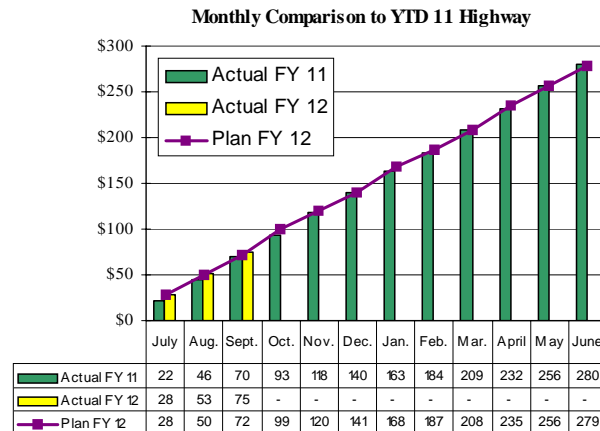
General & Education Funds, excluding State Property Tax FY 12 Comparative Analysis



All funds reported on a cash basis, dollars in millions.

Highway Fund

Comparison to Plan			
Revenue Category	year-to-date		
	FY 12 Actuals	FY 12 Plan	Actual vs. Plan
Gasoline Road Toll	\$ 32.4	\$ 32.6	\$ (0.2)
Miscellaneous	14.3	11.9	2.4
Motor Vehicle Fees			
MV Registrations	19.5	18.8	0.7
MV Operators	3.1	3.1	-
Inspection Station Fees	1.0	1.1	(0.1)
MV Miscellaneous Fees	2.8	2.9	(0.1)
Certificate of Title	1.8	1.8	-
Total Fees	28.2	27.7	0.5
Total	\$ 74.9	\$ 72.2	\$ 2.7

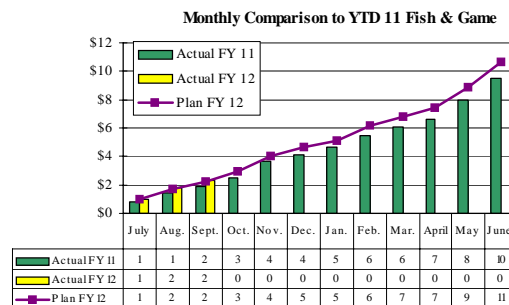


- According to **Road Toll** Operations, actual fuel consumption is down approximately 1.4% over the same period last year, and is tracking below estimates due to economic conditions and more fuel efficient vehicles.

- According to the Department of Transportation, the **Miscellaneous** category is ahead of plan due to earlier project completions resulting in final federal overhead billings. A portion of this is the timing of receipts which were planned later.

Fish & Game Fund

Comparison to Plan			
Revenue Category	year-to-date		
	FY 12 Actuals	FY 12 Plan	Actual vs. Plan
Fish and Game Licenses	\$ 2.1	\$ 2.0	\$ 0.1
Fines and Penalties	-	-	-
Miscellaneous Sales	0.1	0.2	(0.1)
Federal Recoveries Indirect Costs	0.1	-	0.1
Total	\$ 2.3	\$ 2.2	\$ 0.1



All funds reported on a cash basis, dollars in millions.

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